



LEGISLATIVE UPDATE

August 21, 2015

House and Senate leadership have come to the magic number: \$21.735 billion - the total spending amount for the State's budget in the 2015-16 fiscal year. This number represents about \$265 million *more* than the Senate's prior budget proposal and about \$420 million *less* than that of the House. Today, key Appropriations leaders from both Chambers have stayed in Raleigh to work through the weekend, if necessary. Monday, August 31 – the expiration deadline of the current Continuing Resolution (CR) – is fast approaching. Budget forecasters talked this week about whether a budget could be finalized before that deadline or whether there will be yet a third CR. As it stands now, unless budget negotiators arrive at a compromise dollar amount for the big ticket item, public education spending, by the beginning of next week, it becomes evermore unlikely that a final budget will be signed into law by the August 31st deadline.

Again, contact your legislators immediately to convey any imperatives on public education spending. Regardless of when exactly a final budget will be enacted, these are likely to be the final weeks of negotiations. Find your legislators' contact information [here](#). Also, contacting the [House](#) and [Senate](#) corner offices to express your opinions on the chambers' respective plans for public education spending would be an added measure. Please see the "[Comparison of the 2015-16 Proposed Budgets](#)" for a line item comparison of the House and Senate budgets on K-12.

Relevant Bills on the Floor This Week:

[SB 15](#) Unemployment Insurance Law Changes

This unemployment law bill passed the House on Thursday and it will go back to the Senate for consideration of House changes. An amendment to change the required number of job contacts by unemployment recipients (from five to three per week) failed by eleven votes (49:60). Also, the bill sets forth a new section under G.S. 96-15.3 that outlines the "Board of Review" which is a board that independently determines appeals policies and hears appeals arising from decisions made by the Division of Employment Security (formerly the "Employment Security Commission"). There had been debate since last year over the Governor's appointing authority to this Board, but this bill's compromise maintains that authority, with legislative approval. The bill is thirteen pages, and because it is likely to become law, should be reviewed by administrators and human resources experts.

Relevant Bills in Committee This Week:

[SB 101](#) Omnibus Local Act

On Tuesday, the House Committee on Local Government amended and approved SB 101. It passed the House on Wednesday and the Senate is scheduled to vote on House changes on Tuesday, August 25. As amended, the bill clarifies that the chair of the Elizabeth City-Pasquotank Board of Education votes only in the case of a tie, and the vice-chair, when

acting as the chair, must vote only in the case of a tie. If not acting as chair, the vice-chair may vote on matters before the board. The bill also adds Beaufort, Dare, Gates and Hyde to the counties listed under G.S. 153A-15 involving the consent of counties in land condemnation cases. Finally, the bill slightly adjusts the composition of the Gaston County Board of Education.

[SB 127](#) Personal Services Contracts/PED

On Wednesday, the House Judiciary II Committee amended and approved SB 127. It is now referred to House Appropriations. The bill would impose statutory requirements on personal services contracts entered into by executive branch agencies. Under this bill, a “personal services contract” is a contract for services provided by a professional individual as an independent contractor on a temporary or occasional basis, but it would not include the engagement of private attorneys by state agencies in litigation. This bill would codify prior Session Law into state statute under G.S. 143-48.6 and 147-33.105. All personal services contracts entered into after (and if) the bill becomes law would be subject to these requirements. All state agencies that utilize temporary employees to perform work that is not IT-related would be required to employ them through the state’s Temporary Solutions Program, unless a special exception is issued by the Office of State Human Resources. Finally, the bill would repeal G.S. 143-64.70, a reporting requirement where state agencies must report the use of personal services contracts greater than \$25,000 annually.

[SB 561](#) Career and College Ready Graduates

On Tuesday, the House Education Committee on Community Colleges amended and approved SB 561. It is now referred to House Rules. This legislation has been a joint effort by the Community Colleges and DPI/SBE. This bill directs the State Board of Community Colleges (SBCC), in consultation with SBE, to develop a program for implementation in the 2016-2017 school year that: (1) introduces the college developmental mathematics and developmental reading and English curriculums to high school seniors; and (2) provides high school students with opportunities for college remediation graduation through cooperation with community college partners. As amended, mandatory remedial courses would be optional for high school students enrolled in the Occupational Course of Study, unless a parent specifically requested participation through the individualized education program (IEP) process. Also, as amended, the new policies to be adopted by SBCC and SBE require high school faculty to complete special training and require oversight by the Community Colleges to ensure instructional standards.

Other Bills with Action This Week:

[HB 13](#) Amend School Health Assessment Requirement

- Signed by the Governor (SL 2015-222)

[HB 334](#) Transfer Office of Charter Schools

- [Conferees Changed](#)

[HB 371](#) Terror Claims/Damages/Liability for Support

- Signed by the Governor (SL 2015-215)

[HB 394](#) Increase Options for Local Option Sales Tax

- Referred to Senate Finance

Meetings Next Week (August 24-31):

Wednesday, August 26

- 12:30 p.m. House Judiciary III Committee
 - [SB 298](#) School Bus Cameras/Civil Penalties
 - [SB 519](#) Amend Child Custody Laws
 - [SB 652](#) Prohibit Re-Homing of an Adopted Minor Child (*discussion only*)

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